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Title: Need to meet the demands of Orissa Government to bail out the state from debt trap.

SHRI BRAJA KISHORE TRIPATHY (PURI): Mr. Chairman Sir, the major challenge faced by Orissa, at present, is its huge debt burden. The debt burden outstanding as on 31st March 2008 is Rs. 36,301.61 crore which is 35.15 per cent of GS[r61]DP.

There is a need for debt buyback/swap to restructure the debt stock for reducing interest payment liability. It is because of the present recession that the country is facing, the Union Government should consider the following demands of the Government of Orissa in order to bail out the State from debt trap.

1. The Government of India should consider for allowing the pre-payment of high-cost NSSF loan amounting to Rs. 200 crore during 2008-09.

2. The State of Orissa may be allowed to the proceeds of Structural Adjustment support from World Bank for prepayment of high-cost NSSF loans.

3. On the basis of the recommendation of NDC Sub-Committee, the State of Orissa may be allowed to prepay high-cost non-NSSF loans.

4. The loss on account of CST phase-out to the State needs to be compensated by the Government of India.

5. Externally aided projects in pipelines should be cleared expeditiously by the Government of India.

6. Rate of royalty on coal, iron-ore and other major minerals should be revised in time on an *ad valorem* basis.

MR. CHAIRMAN : Those items are different; you have to raise only one.

SHRI BRAJA KISHORE TRIPATHY : Sir, these are the same demands of the State Government.

MR. CHAIRMAN: Please sit down.

SHRI BRAJA KISHORE TRIPATHY : Lastly, Sir,

7. The additional burden on the State arising on account of the Sixth Pay Commission's recommendations may be borne by the Central Government in full.

Sir, these are the demands of the Government of Orissa to bail it out from the present crisis. So, I urge upon the Government to consider the demands of the State Government.